Impact of Reduction of Import Duty on Jute Goods

1511. SHRI NILOTPAL BASU :
SHRI DIPANKAR MUKHERJEE :

Will the Minister of TEXTILES be pleased to state:

(a) the impact of reduction of import duty on jute goods from Bangladesh on Indian jute industry;

(b) the steps taken to protect the industry against dumping of products from outside;

(c) the steps taken by the Government to enforce Jute Packaging Materials Act;

(d) the steps taken to protect the interests of jute growers through procurement of jute by JCI;

(e) the jute procured through JCI in the last three years; and

(f) the steps taken to augment production in NJMC mills?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) and (b) The total import of jute goods from Bangladesh in comparison to the total domestic production in negligible as it is less than one percent. The reduction of import duty on jute goods from Bangladesh is therefore likely to have little impact on the Indian jute industry. The Government is however closely monitoring the situation in consultation with the O/o Jute Commissioner and Jute Manufactures Development Council. The Government also reviews the Jute Licensing and Control Order, 1961 and import duty on raw jute from time to time to deal with the situation arising out of unrestricted import of jute goods.

(c) The existing order in force provides for mandatory packaging of 100% foodgrains, 100% sugar and 20% fertilizer (urea) respectively in jute bags. Compliance of this order in respect of foodgrains and sugar is total. In respect of fertilizer (urea), monthly reports are obtained from individual units and compliance position is monitored. In case of slippage, notices are issued and followed up.

(d) Government of India announces Minimum Support Price (MSP) for raw jute every year to ensure a minimum return to the jute growers. Jute Corporation of India (JCI) is the nodal organisation for

undertaking the MSP operations within the country, as and when the market price of raw jute reaches the MSP level. MSP has been rising every year and it has been raised from Rs. 650 per quintal (1998-99) to Rs. 750 per quintal for the current session i.e. 1999-2000.

(e) Jute procured through JCI in the last three years is as Under:

Year	Production	Procurement		
		MSP	Commercial	Total
1996-97	10200	0	22	22
1997-98	10900	985	0	985
1998-99	8300	0	45	45
1999-2000 (Upto 3.12.99)	7800	14	86	100

[Figures in '000 B/S (180Kg)

(f) The Government has been providing financial support to NJMC every year, in spite of huge losses suffered by the Corporation for payment of salary and wages to its employees. In addition, Turn Around Plans (TAP) have been prepared from time to time for revival of the Corportation.

Facilities to the weavers in Assam

1512. SHRI SHRIMATI BASANTI SARMA: Will the Minister of TEXTILES be pleased to state:

(a) the amount proposed to be spent on handicraft, powerloom and handloom during the Ninth Five Plan in Assam; and

(b) the details of concessions or facilities being given to weavers in the State?

THE MINISTER OF STATE IN THE MINISTRY OF TEXTILES (SHRI GINGEE N. RAMACHANDRAN): (a) State-wise funds are not allocated for handicrafts and handloom sectors. However, Rs. 87.28 lakhs and Rs. 1405.66 lakhs have been released for development of handicrafts and handloom sector respectively in the state of Assam by the Government during 1998-99. The financial